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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

Lianlian Porth
Plaintiff,
vs.
**PAYWARD, INC. and PAYWARD
VENTURES, INC.,**
Defendants.

Case No.3:25-cv-01885-VC

**REPLY IN SUPPORT OF PLAINTIFF'S
MOTION TO COMPEL DISCLOSURE**

Date: July 17, 2025
Time: 10:00 a.m.
Crtrm.: 4, 17th Floor

Judge: Hon. Vince Chhabria

Plaintiff submits the following **five points** in opposition to Defendants' Opposition (ECF No. 33), and in further support of Plaintiff's Motion to Compel Disclosure under Rule 37(a) (ECF No. 25):

1. Defendants' opposition lacks valid standing and fails to identify proper legal entities; it should be deemed procedurally defective.

Under the Federal Rules of Civil Procedure, all parties to a civil action must appear before the court in the name of a legally recognized and independent juridical entity. Rule 17(b) requires corporate parties to proceed in their formal legal capacity, and Rule 7(b)(1)(B) further mandates that any motion must clearly state the party on whose behalf it is made. In this case, Plaintiff Lianlian

1 Porth has appeared in her individual legal capacity, assuming full responsibility for the claims and
2 evidentiary burden. Accordingly, Payward Inc. and Payward Ventures Inc., as named defendants,
3 must also individually and clearly assume their respective procedural roles and legal obligations.

4 However, in the only opposition to the Motion to Compel Disclosure jointly submitted by
5 Defendants Payward Inc. and Payward Ventures Inc. (ECF No. 33), they did not distinguish the
6 respective positions or responsibilities of the two corporate entities. Instead, relying on the same legal
7 team, they responded procedurally through a single unified motion, and wrote in the document: “In
8 the Motion, Plaintiff contends that Defendant Payward, Inc. and Payward Ventures, Inc. (collectively
9 ‘Defendants’ or ‘Kraken’).” Defendants conflated the two companies by collectively referring to
10 them as “Defendants” or “Kraken,” and used these terms in quotation marks. This usage is no longer
11 that of a mere pronoun or shorthand—it is treated in the motion as a nominalized designation of a
12 single entity. Such phrasing creates the impression that these two companies are themselves named
13 “Defendants” or “Kraken,” rather than being two separately incorporated legal persons, each bearing
14 its own legal obligations: Payward, Inc. And Payward Ventures, Inc.

15 While such consolidation may be harmless in corporate marketing or branding, it directly
16 undermines legal entity distinction in federal court proceedings. The Court has not authorized
17 “Defendants” or “Kraken” as a named party in this action. Nor can the Court determine from the
18 motion which entity—Payward Inc. or Payward Ventures Inc.—is specifically responding to
19 Plaintiff’s requests. This ambiguity obstructs the Court’s ability to evaluate who bears what legal
20 obligation and to assign procedural responsibility accordingly.

21 More gravely, by jointly opposing under a single composite identity (collectively “Defendants”
22 or “Kraken”), Defendants have effectively waived the procedural independence of their separate
23 corporate personalities. This erodes the ability to trace distinct procedural conduct and, more
24 fundamentally, bolsters Plaintiff’s core allegation that Defendants have disregarded corporate
25 separateness and pierced their own corporate veil. As Plaintiff has previously stated in multiple
26 filings, once the fiction of corporate separateness collapses, Defendants are no longer two legitimate
27 and independently existing litigants. Instead, they are operating a legal façade intended to mislead the
28 Court and manipulate judicial proceedings—any motion predicated on such a façade lacks valid legal

1 standing and may be summarily denied or stricken.

2 In short, while Plaintiff has made efforts to preserve the status of Defendants' parent and
 3 subsidiary companies as two distinct legal parties, Defendants themselves have repeatedly and
 4 voluntarily asserted in court records that their parent and subsidiary are, in essence, a single legal
 5 entity.— The veil between parent and subsidiary was not pierced by Plaintiff, but voluntarily lifted by
 6 Defendants themselves. And if this issue had not been raised today by Plaintiff, it would inevitably
 7 have been exposed tomorrow—by regulators, auditors, investors, creditors, or other stakeholders, and
 8 likely in a far more severe manner.

9

10 **2. Plaintiff's Rule 34 Request Complies with the "Early Service, Effective Upon Rule 26(f)
 11 Conference" Mechanism Permitted by the Federal Rules, and Is Procedurally Proper**

12 In their Opposition, Defendants argue that Plaintiff's Rule 34 request is invalid because "no
 13 Rule 26(f) conference has yet occurred." This assertion reflects a fundamental misunderstanding of
 14 the timing mechanism expressly established in Rule 26(d)(2) of the Federal Rules of Civil Procedure:
 15 *A request under Rule 34 may be delivered before the Rule 26(f) conference. The request is considered
 16 to have been served at the first Rule 26(f) conference.*

17 Rule 26(d)(2) explicitly authorizes a party to deliver a Rule 34 request before the Rule 26(f)
 18 conference and clarifies that such a request will be deemed officially served on the date of the Rule
 19 26(f) conference, without the need for re-delivery or supplemental service.

20 Plaintiff strictly complied with this rule: on March 7, 2025—the same day the Complaint was
 21 filed—Plaintiff served on Defendants the "Document Request, Exhibit J" pursuant to Rule 34 (ECF
 22 No. 13), and proactively granted Defendants a 60-day courtesy period, setting the response deadline
 23 as May 6, 2025. The Rule 26(f) scheduling conference was set for April 22, 2025 (ECF No. 14,
 24 Exhibit N), meaning the requested disclosure was explicitly set to take effect *after* the scheduled Rule
 25 26(f) conference. At no point did Plaintiff's Rule 34 request violate the prohibition under Rule
 26(d)(1) against initiating discovery *before* the Rule 26(f) conference.

27 Accordingly, Defendants' characterization of a procedurally valid early service as
 28

1 “premature” reflects a misreading of both the text and intent of the Federal Rules. Plaintiff’s Rule 34
2 request fully complies with procedural requirements and imposes no undue burden on Defendants.
3 Rather, it represents a reasonable and lawful effort to preserve disclosure progress and ensure
4 procedural efficiency.

5

6 **3. Defendants’ Bad-Faith Evasion of the Rule 26(f) Conference Cannot Excuse Their Disclosure
7 Obligations, and the CMC Continuance Does Not Suspend Their Duties**

8 On April 16, 2025, Plaintiff formally served Defendants with a notice to confer under Rule 26(f)
9 (ECF No. 14, Exhibit N), clearly proposing to hold the Rule 26(f) conference on April 22, 2025.
10 Plaintiff identified as the core agenda item whether Defendants would comply with the disclosure
11 obligations outlined in the Document Request, Exhibit J. Defendants failed to respond to this notice
12 and refused to participate in any substantive disclosure discussions, asserting that their forthcoming
13 motion to dismiss exempted them from engaging in discovery. This amounted to a deliberate effort to
14 obstruct the normal commencement of Rule 26(f) procedures.

15 This bad-faith conduct led the Court, on June 4, 2025, to reluctantly grant Defendants’ unilateral
16 request to continue the Case Management Conference (CMC), postponing it to August 1, 2025. Yet
17 now, Defendants seek to invoke Rule 26(a)(1)(C), arguing that Plaintiff’s Motion to Compel filed on
18 June 2, 2025, was “premature” solely because the Rule 26(f) conference had not occurred. In doing
19 so, Defendants attempt to use their own procedural noncompliance as a shield to invalidate Plaintiff’s
20 motion.

21 To clarify the timeline: Plaintiff filed the Motion to Compel on June 2, 2025—*before* the
22 Court’s June 4, 2025 order granting the CMC continuance. Prior to that, Plaintiff had already
23 complied with Rule 26(f) by issuing a timely and properly noticed invitation to confer. Under these
24 circumstances, Defendants not only bear responsibility for the failure to conduct the Rule 26(f)
25 meeting, but also seek to benefit from their own procedural default. Such conduct constitutes an
26 abuse of the Federal Rules of Civil Procedure and a serious affront to the principles of procedural
27 integrity and fairness.

1 **4. Defendants' Opposition Entirely Avoids the Substantive Issues and Fails to Present Any**
2 **Grounds for Denial**

3 Plaintiff's Motion to Compel Disclosure (ECF No. 25) is not a routine discovery request. It is
4 grounded on two independent legal foundations: first, Plaintiff's inheritance rights that have already
5 been confirmed by a California court judgment; and second, Defendants' statutory obligation under
6 federal laws—including the Bank Secrecy Act (BSA), Anti-Money Laundering (AML) regulations,
7 and Know-Your-Customer/Customer Identification Program (KYC/CIP) rules—to disclose asset
8 information. These obligations are not suspended by the mere filing of procedural motions, nor are
9 they subject to any automatic stay arising from Defendants' pending Rule 12(b) motion to dismiss.

10 However, Defendants' Opposition (ECF No. 33) fails to address either of these core legal
11 foundations. Defendants do not contest the validity of Plaintiff's inheritance rights. They do not
12 explain why they refused to produce any asset information after the 60-day grace period for Rule 34
13 disclosure requests expired on May 6, 2025. Nor do they justify their refusal to participate in the Rule
14 26(f) conference scheduled for April 22, 2025. Each of these critical issues—issues which
15 Defendants were duty-bound to address—has been conspicuously avoided.

16 Instead, Defendants rely exclusively on procedural technicalities, misrepresenting Rule 34 and
17 Rule 26(d)(1), while deliberately ignoring Rule 26(d)(2), which explicitly permits the early delivery
18 of discovery requests with service deemed effective upon the Rule 26(f) conference. In doing so,
19 Defendants attempt to shift the consequences of their own unilateral delays and refusal to confer onto
20 Plaintiff. Such procedural manipulation does nothing to discharge their disclosure obligations—and
21 in fact, further exposes their bad-faith evasion of federal asset compliance laws.

22 In summary, Defendants' Opposition fails to confront the substantive legal basis of Plaintiff's
23 Motion and does not offer any meaningful rebuttal to Plaintiff's core requests. As such, it should be
24 deemed nonresponsive in substance, and the Court should grant the Motion to Compel Disclosure
25 accordingly.

26

27 **5. Defendants' Procedural Objection Lacks Factual Basis—Plaintiff Has Fulfilled the Meet-**
28 **and-Confer Obligation**

1 Defendants argue that Plaintiff violated Civil Local Rule 37-1 and the Court's Standing Order 8
2 and 18 by failing to meet and confer before filing the motion, and therefore contend the Motion is
3 procedurally improper. However, this objection is factually inaccurate and disregards the actual
4 procedural posture of this case.

5 First, Plaintiff sent a formal Rule 26(f) conference notice to Defendants on April 16, 2025 (ECF No.
6 14, Exhibit N), proposing to hold the conference on April 22, 2025. Plaintiff clearly listed the agenda
7 items, including whether Defendants would comply with the disclosure requests outlined in Exhibit J.
8 This notice constitutes a good-faith effort to confer, as required by the applicable rules. Defendants,
9 however, did not provide any substantive response and thereby waived their right to participate in the
10 coordination process.

11 Second, Plaintiff followed up with further outreach on May 5, 2025 (ECF No. 22, Exhibit Q-4),
12 and May 9, 2025 (ECF No. 22, Exhibit Q-6), reiterating that Plaintiff was preparing a motion to
13 compel under Rule 37(a), and openly invited Defendants to respond or engage in further dialogue
14 before the filing deadline. These proactive efforts fulfill the substantive requirements of Rule 37(a)(1)
15 and Local Rule 37-1 for reasonable pre-motion communication.

16 Third, the joint letter requirement under Standing Order § 18 applies only when both parties
17 have engaged in meaningful meet-and-confer efforts and are willing to jointly summarize the
18 disputed issues. In this case, Defendants never responded to Plaintiff's meet-and-confer requests and
19 failed to attend the scheduled Rule 26(f) meeting. As a result, Plaintiff was procedurally unable to
20 prepare the joint letter, and forcing Plaintiff to do so unilaterally contradicts both the procedural
21 practicality and the cooperative intent of the joint-letter mechanism.

22 Furthermore, the Rule 34 document request issued by Plaintiff does not require a joint letter or
23 prior court approval. It is not the kind of motion that falls within the scope of the Standing Order's
24 joint-letter requirement, and thus does not constitute a procedural violation.

25 In sum, Plaintiff has made all reasonable and documented efforts to meet and confer in good
26 faith. Defendants' procedural objections are factually unsupported and amount to misuse of
27 procedural rules. The Court should find Plaintiff's motion procedurally sound and reject Defendants'
28 attempt to avoid compliance through technicalities.

Conclusion

In sum, Plaintiff’s five-point rebuttal to Defendants’ Opposition (ECF No. 33) clearly demonstrates that Defendants’ objections suffer from serious flaws and fundamental deviations in several key areas: the identification of legal entities, the interpretation of procedural rules, the response to substantive disclosure obligations, and the fulfillment of meet-and-confer requirements. Defendants failed to distinguish their corporate identities, conflated legal personalities, and further reinforced Plaintiff’s core allegation of veil-piercing through procedural ambiguity. Their procedural challenge to the Rule 34 request misreads the purpose and structure of the Federal Rules; their refusal to participate in the Rule 26(f) conference constitutes a procedural breach; their entire Opposition fails to address any substantive legal basis; and their procedural arguments are factually unsupported.

The Motion to Compel Disclosure (ECF No. 25) satisfies all requirements under Rules 26, 34, and 37 of the Federal Rules of Civil Procedure. It is legally sound, procedurally diligent, and substantively critical to Plaintiff's federally protected inheritance rights and Defendants' statutory asset disclosure obligations under federal law.

For these reasons, Plaintiff respectfully requests that the Court deny Defendants' Opposition (ECF No. 33) in its entirety and grant Plaintiff's Motion to Compel Disclosure, ordering Defendants to produce the complete asset information listed in Exhibit J within a set deadline. Only by doing so can the Court preserve procedural integrity and ensure that this case proceeds to substantive adjudication on the basis of a full and truthful factual record.

Date: June 21, 2025

By: /s/ Lianlian Porth

Name: Lianlian Porth

Atty.: Pro Se